Unemployment and participation rates rise in June

Media Release

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Source: Labour Force, Australia, June 2024

The seasonally adjusted unemployment rate rose by less than 0.1 percentage point to 4.1 per cent in June, according to data released today by the Australian Bureau of Statistics (ABS).

Bjorn Jarvis, ABS head of labour statistics said: "With employment rising by around 50,000 people and the number of unemployed growing by 10,000 people, the unemployment rate rose slightly to 4.1 per cent, and the participation rate rose to 66.9 per cent."

"The participation rate in June was only 0.1 percentage point lower than the historical high of 67.0 per cent in November 2023. The employment-to-population ratio rose by 0.1 percentage point to 64.2 per cent, which was also close to its historical high of 64.4 per cent in November 2023.

"The employment-to-population ratio and participation rate both continue to be near their 2023 highs. This, along with the continued high level of job vacancies, suggests the labour market remains relatively tight, despite the unemployment rate being above 4.0 per cent since April.

"Unemployment rose 10,000 people in June, following a fall of 9,000 in May. While it has increased from a low of 491,000 people in October 2022 to 608,000 in June, it is still around 100,000 people or 14.2 per cent lower than just prior to the COVID-19 pandemic.

"The unemployment rate was 0.5 percentage points higher than June last year, and 1.1 percentage points lower than March 2020," Mr Jarvis said.

Hours worked

Seasonally adjusted monthly hours worked rose by 0.8 per cent. The growth rate over recent months was broadly in line with employment.

Seasonally adjusted employment and hours worked, indexed to March 2020

Feedback

Source: Labour Force, Australia, Tables 1 and 19

Feedback

"In June, we continued to see more people than usual working reduced hours because they were sick, similar to wh we saw in May. Around 4.5 per cent of employed people in June could not work their usual hours because they wer sick, compared to the pre-pandemic average for June of 3.6 per cent," Mr Jarvis said.

"However, we also saw less people taking annual leave in June 2024. There were around 12.5 per cent of people working fewer hours because they were on leave, compared with the pre-pandemic average for June of 14.5 per cent. This contributed to the increase in hours worked this month."

Underemployment and underutilisation

Consistent with the increase in hours worked, the seasonally adjusted underemployment rate fell 0.3 percentage points to 6.5 per cent. The underemployment rate was 0.1 percentage point lower than June last year, and 2.3 percentage points lower than March 2020.

The underutilisation rate, which combines the unemployment and underemployment rates, also fell 0.2 percentage points to 10.5 per cent. While this was 0.4 percentage points higher than June 2023, it was 3.4 percentage points lower than March 2020.

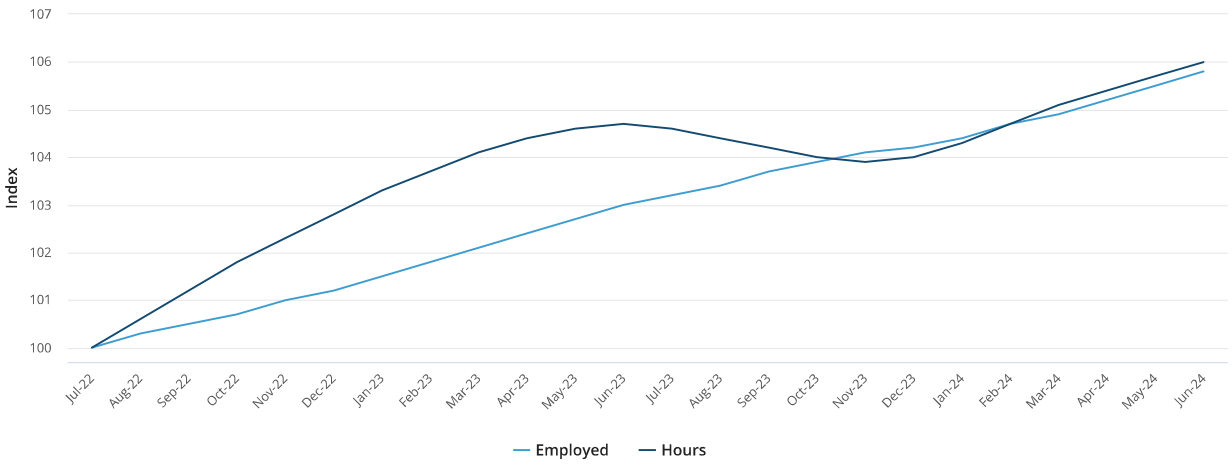
Underlying trend data

In June, the trend unemployment rate remained at 4.0 per cent.

In trend terms, employment grew by 42,000 people (0.3 per cent), which was faster than the 20-year pre-pandemic average (0.2 per cent).

Hours worked rose by 0.3 per cent between May and June, in line with the increase in employment.

Trend employment and hours worked, indexed to July 2022



Source: Labour Force, Australia, Tables 1 and 19

Feedback

“Since April 2024, the monthly growth in employment has been 0.3 per cent, above the 20-year pre-pandemic average of 0.2 per cent. In general, the employment growth has kept up with the fast growth in population,” Mr Jarvis said.

The employment-to-population ratio remained at 64.1 per cent. This was still close to the historically high levels seen throughout 2023, and still 2.0 percentage points higher than March 2020.

The participation rate remained at 66.8 per cent, much higher than 65.6 per cent in March 2020.

The underemployment rate remained at 6.5 per cent and the underutilisation rate fell by less than 0.1 percentage point to 10.5 per cent.

"In trend terms, all indicators still point to a tight labour market, although it is less tight than in early 2023,” Mr Jarvis said.

More information will be available in the upcoming June 2024 issue of Labour Force, Australia, Detailed, on Thursday 25 July 2024. Modelled regional labour market data will be released in an update to Labour Force, Australia, Detailed, on Thursday 1 August 2024.

The ABS would like to thank Australians for their continued support in responding to our surveys.

Media notes

- The June survey reference period is from 2 June 2024 to 15 June 2024.
- The July survey reference period is from 30 June 2024 to 13 July 2024.

- Access official, high-resolution images of Bjorn Jarvis and other ABS media spokespeople from our image library (/media-centre/abs-image-library) .
- When reporting ABS data you must attribute the Australian Bureau of Statistics (or the ABS) as the source.
- For media requests and interviews, contact the ABS Media Team on 1300 175 070 or media@abs.gov.au (mailto:media@abs.gov.au) (monitored 8:30am-5pm Canberra time, Monday-Friday).
- Watch our data crash course (https://www.youtube.com/watch?v=Ie2K3PNejU4&list=PLR8_RxifMwL4JQTxYcIMANzga67VBlyhj&index=11) , designed especially for journalists to learn how to find, download and interpret our data.
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Feedback